Statistics in focus

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Author

Tomasz URBANSKI

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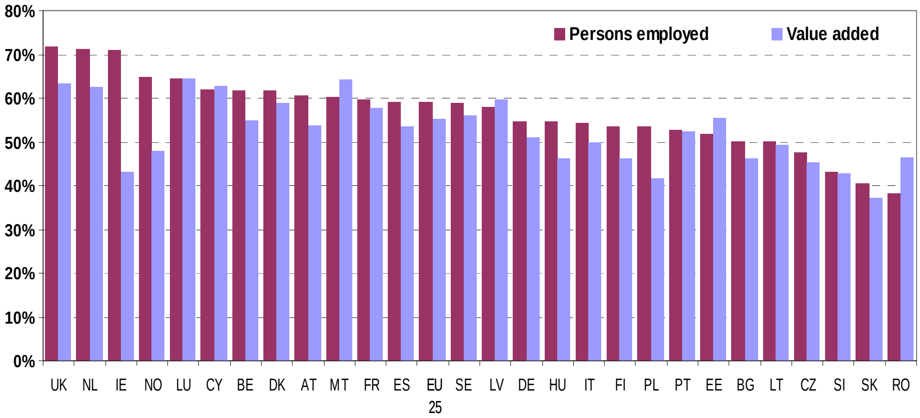
Main features of the services sector in the EU

Services were the main activity of 13.1 million enterprises in the EU-25 in 2003, which generated a turnover of EUR 10 363 billion. Producing a value added of EUR 2 650 billion, and employing 69 million persons, services accounted for 55 % and 59 % respectively of the total non-financial business economy (NACE Sections C to K, excl. J). In terms of employment, it was the largest sector, well ahead of industry and construction, with shares of 30 % and 11 % respectively.*

Graph 1: Country specialisation in services (NACE Sections G-K excl. J), 2003 as % of the non-financial business economy (NACE C-K excl. J)



MT: 2002 – EL: no data available

Source: Eurostat (SBS – Annual)

When looking at the importance of services in a country's non-financial business economy (Graph 1), the United Kingdom, the Netherlands and Ireland were clearly the most specialised in terms of employment, with the sector representing upwards of 70 % of their non-financial business economies. However, when examining regional data at NUTS 2 level, there were several regions where this sector accounted for a larger share of the non-financial business workforce, reaching as much as 88 % in Inner London. By contrast, Romania and Slovakia were the least specialised, with shares of employment dedicated to services of around only 40 %.

The importance of services in Member States' economies was greater in terms of employment than for value added in 20 of the 26 Member States for which data were available which indicates relatively low apparent labour productivity (value added per person employed) when compared with the non-financial business economy average. This was especially the case in Ireland, Norway and Poland where the employment share was between 1.3 and 1.7 times that for value added. Only in six Member States (Estonia, Cyprus, Latvia, Luxembourg, Malta and Romania) did the weight of value added exceed that of employment, thus indicating relatively high apparent labour productivity.

The **services sector as analysed in this publication corresponds to NACE Rev. 1.1 Sections G-K excluding J. Hence, 'Services' cover 'Wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods' (NACE G), 'Hotels and restaurants' (NACE H), 'Transport, storage and communication' (NACE I) and 'Real estate, renting and business activities' (NACE K). 'Financial intermediation' (NACE J) is excluded.*

Distributive trades generated almost 42 % of services employment

Table 1: Importance of services in the EU-25 and Member States, by sub-sector, 2003

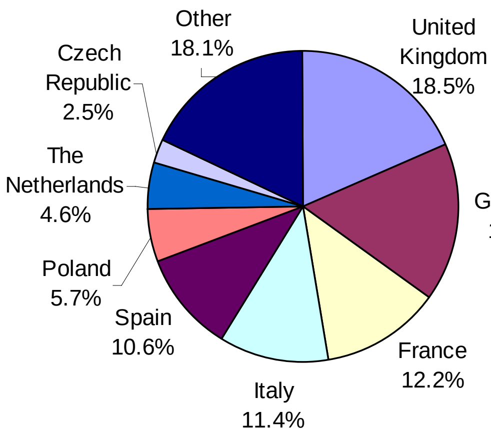
	Total EU value added		Total EU employment		Member State where this sector is	
	(in EUR billion)	%	(in 1000s)	%	most important**	least important**
Services (G to K excluding J)	2 650.0 *	100%	69 000.0 *	100%	Luxembourg	Slovakia
Distributive trades (G)	931.8	35.2%	28 621.5	41.5%	Latvia	Ireland
Sale, maintenance/repair of motor vehicles (G50)	141.2	5.3%	3 811.7	5.5%	Lithuania	Slovakia
Wholesale/commission trade, exc. for motor (-cycles) (G51)	423.8	16.0%	8 788.4	12.7%	Latvia	Ireland
Retail trade (exc. motor vehicles), repair of personal goods (G52)	366.9	13.8%	16 021.4	23.2%	Cyprus	Slovakia
Hotels and restaurants (H)	154.2	5.8%	8 228.4	11.9%	Cyprus	Slovakia
Transport and communications (I)	570.0 *	21.5%	11 000.0 *	15.9%	Malta	Germany
Land transport, transport via pipelines (I60)	167.0 *	6.3%	5 100.0 *	7.4%	Latvia	Malta
Water transport (I61)	17.5	0.7%	180.9	0.3%	Denmark	Czech Republic
Air transport (I62)	27.8	1.0%	401.1	0.6%	Malta	Slovakia
Supporting transport activities, travel agencies (I63)	120.0	4.5%	2 300.0	3.3%	Malta	Luxembourg
Post and telecommunications (I64)	231.8	8.7%	2 987.6	4.3%	Luxembourg	Austria
Real estate, renting & business activities (K)	993.3	37.5%	21 423.6	31.0%	United Kingdom	Slovakia
Real estate activities (K70)	211.5	8.0%	2 370.8	3.4%	Denmark	Slovenia
Renting of machinery, and of pers. & househ. goods (K71)	61.1	2.3%	574.8	0.8%	Austria	Slovenia
Computer and related activities (K72)	150.0 *	5.7%	2 490.0 *	3.6%	United Kingdom	Lithuania
Research and development (K73)	18.0 *	0.7%	360.0 *	0.5%	Luxembourg	Malta
Other business activities (K74)	552.7	20.9%	15 632.6	22.7%	United Kingdom	Lithuania

* rounded estimate based on non-confidential data: note difference between aggregates and sub-components due to rounding. Source: Eurostat (SBS – Annual)
** most/least important (specialised): based on value-added share in non-financial business economy.

The largest contributors to employment in services were the UK and Germany which accounted for respectively 18.5 % and 16.4 % of the EU-25 total (Graph 2). The importance of services in the UK's economy is again highlighted by the fact that its contribution was over three percentage points larger than that to the EU's non-financial business economy as a whole.

Looking at the four main activities (NACE Sections) that make up the services sector, and based on employment, the 'distributive trades' (G) was the largest in the EU-25 in 2003, accounting for 41.5 % of services employment (Table 1). 'Real estate, renting and business activities' (K) was the second largest activity (31 %), mainly due to the importance of 'other business activities' (K74: 22.7 %) which include for e.g. labour recruitment and legal, accounting and management services. 'Transport and communications' (I)

Graph 2: Main contributing Member States to EU-25 employment in services, 2003



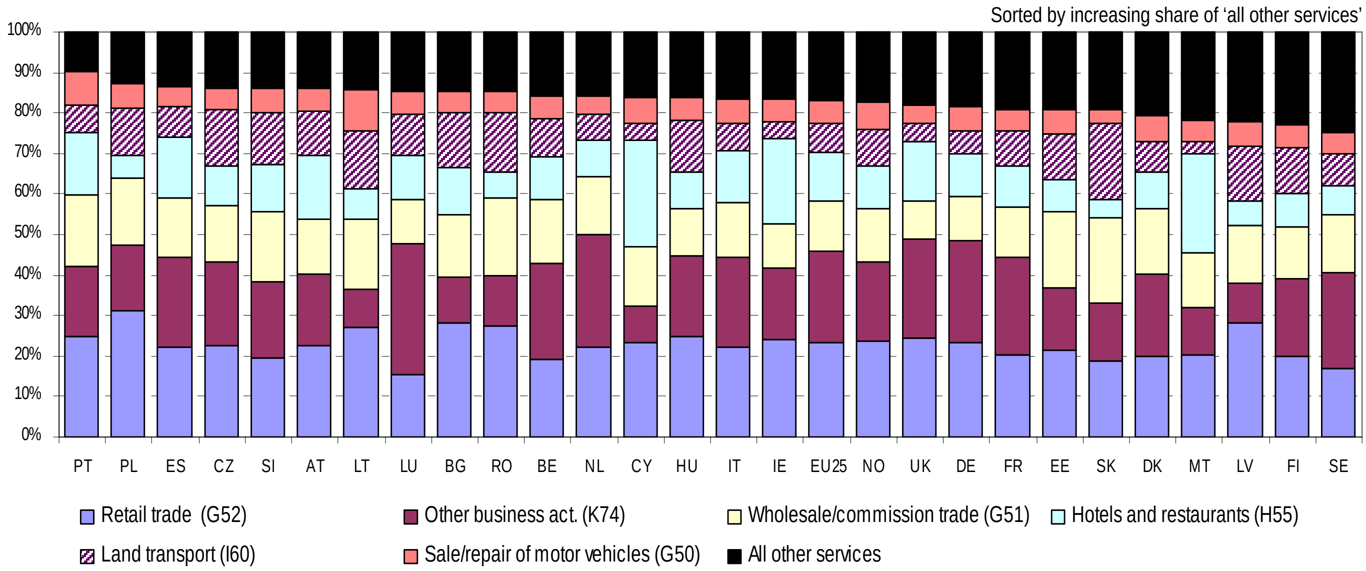
Source: Eurostat (SBS– Annual)

Table 2: Main indicators: services (NACE Sections G-K excl. J), 2003

	EU-25	BE	BG	CZ	DK	DE	EE	IE	ES	FR	IT	CY	LV	LT	LU
Value added at factor cost - in billion EUR	2 650.0 *	72.9	3.1	21.8	56.4	535.5	2.4	32.7	228.6	397.8	267.1	3.6	2.9	2.9	7.3
Persons employed - in thousands	69 000.0 *	1 458.2	868.3	1 714.2	1 007.6	11 313.6	193.1	676.5	7 290.2	8 419.6	7 873.4	122.6	317.7	386.8	128.2
Number of enterprises - in thousands	13 138.1	292.1	195.2	574.5	137.2	1 276.8	25.4	80.3	1 784.8	1 537.8	2 615.4	33.8	43.4	42.9	18.8
Turnover - in billion EUR	10 363.2	388.8	25.5	111.3	231.5	1 783.8	13.9	123.3	919.0	1 656.3	1 183.5	12.0	13.8	16.2	30.9
Average personnel costs in thousand EUR	26.2	38.0	2.2	8.5	34.6	27.8	6.4	26.6	21.4	35.8	27.5	20.0	3.7	3.9	36.0
Apparent labour productivity (value-added per person employed) - in thousand EUR	38.4	50.0	3.6	12.7	56.0	47.3	12.5	48.3	31.4	47.2	33.9	29.1	9.3	7.4	57.1
Wage adjusted labour productivity - in %	146.2	131.5	164	150.3	161.9	170.0	195.0	181.3	146.7	131.9	123.2	145.7	252.7	189.8	158.3
Gross operating rate - in %	11.1	7.3	6.7	10.5	10.4	6.1	8.8	13.6	11.7	6.8	12.1	12.5	13.2	8.9	9.9

* rounded estimate based on non-confidential data. – EL: not available. Source: Eurostat (SBS – Annual)

Graph 3: Employment in services: share by sub sector, 2003



Source: Eurostat (SBS – Annual)

was the third largest (15.9 %), and 'Hotels and restaurants' (H) the least important (11.9 %).

The difference in shares of EU value added and employment indicates differences in apparent labour productivity (value added per person employed) among the activities. EU-25 apparent labour productivity in services was EUR 38 400 per person employed in 2003, which was almost 7 % less than the non-financial business economy average (EUR 41 200). Readers should note however that this indicator is based on a simple head count of labour input and that the services sector consists of many activities with a high share of part-time employment (see page 5).

Wage adjusted labour productivity compensates for these issues by measuring labour input in terms of average personnel cost. According to this measure, wage adjusted labour productivity was actually higher in services than the non-financial business economy average (146 % compared with 145 %). The importance of part-time work in the services sector also partly explains why personnel costs in services were lower than the non-financial business economy average (EUR 26 200 per employee, compared with EUR 28 400).

Graph 3 compares the cumulative share of the six largest services activities (NACE Divisions) at EU level with their weight in individual countries, in terms of employment. This shows the heterogeneity in the structure of the services sector among the Member States. While these six activities accounted for 83 % of employment in services at EU-25 level, they accounted for as much as 90 % in Portugal, but for as little as 75 % in Sweden.

When the cumulative share is lower than the EU average, the country can be said to be relatively specialised in other services that are less important at EU level, such as real estate, post and telecommunications, or computer and related activities. For example, in Sweden – the Member State with the lowest cumulative share – the share of 'computer and related activities' (K72: 7.2 %) was double the EU average of 3.6%. Another example is 'real estate activities' (K70) which in Latvia accounted for 9.7 % of services employment, nearly three times the EU average (3.4 %).

Table 2: Main indicators: services (NACE Sections G-K excl. J), 2003 (continued)

	HU	MT**	NL	AT	PL	PT	RO	SI	SK	FI	SE	UK	NO
Value added at factor cost - in billion EUR	15.4	1.9	144.6	63.9	37.5	31.7	8.0	5.4	4.1	32.6	75.5	561.6	45.5
Persons employed - in thousands	1 380.7	73.2	3 207.0	1 408.4	3 930.1	1 508.1	1 504.0	245.6	363.8	653.2	1 516.3	12 793.4	789.7
Number of enterprises - in thousands	414.9	25.4	356.7	207.2	1 086.9	379.1	261.7	55.9	26.6	127.0	370.8	1 162.4	163.8
Turnover - in billion EUR	94.6	5.4	619.3	244.4	223.4	166.5	47.3	26.6	24.3	139.1	296.1	1 965.7	183.3
Average personnel costs in thousand EUR	7.4	10.8	28.9	31.8	6.8	14.8	2.5	15.7	6.2	33.7	40.7	26.6	37.8
Apparent labour productivity (value-added per person employed) - in thousand EUR	11.2	25.7	45.1	45.3	9.5	21.0	5.3	21.9	11.3	50.0	49.8	43.9	57.6
Wage adjusted labour productivity - in %	151	237	156	142	140	142	211	139	183	148	122	165	153
Gross operating rate - in %	7.5	24.6	9.5	10.2	9.5	7.3	9.4	7.7	7.8	8.9	8.2	12.6	9.9

** 2002 data

Source: Eurostat (SBS – Annual)

EU's top-three most specialised regions located in the UK

Table 3: Most specialised regions in different services activities, based on the share of persons employed within the non-financial business economy, EU-27, 2003*

	First most specialised	%	Second most specialised	%	Third most specialised	%
Services (G-K excl. J)	Inner London (UK)	88.0	Outer London (UK)	80.0	Surrey, East and West Sussex (UK)	80.0
Distributive trades (G)	Reunion (FR)	35.2	Guadeloupe (FR)	34.8	Flevoland (NL)	34.6
Sale, maintenance/repair of motor vehicles (G50)	Reunion (FR)	7.2	Martinique (FR)	6.6	Brandenburg - Südwest (DE)	6.6
Wholesale and commission trade, exc. for motor (-cycles) (G51)	Flevoland (NL)	14.8	Región de Murcia (ES)	14.4	Prov. Vlaams Brabant (BE)	14.0
Retail trade, exc. motor vehicles, repair of personal goods (G52)	Dorset and Somerset (UK)	22.6	Lubelskie (PL)	22.0	West Wales and The Valleys (UK)	21.9
Hotels and restaurants (H)	Illes Balears (ES)	24.7	Algarve (PT)	23.2	Provincia Autonoma Bolzano-Bozen (IT)	21.2
Transport and communications (I) *	Åland (FI)	48.5	Köln (DE)	34.9	Bratislavský kraj (SK)	25.9
Land transport, transport via pipelines (I60)	Bratislavský kraj (SK)	18.5	Mazowieckie (PL)	11.7	Rheinhessen-Pfalz (DE)	9.4
Water transport (I61)	Åland (FI)	42.1	Severoiztochen (BG)	:	Kypros (CY)	1.7
Air transport (I62)	Noord-Holland (NL)	:	Outer London (UK)	3.3	Köln (DE)	2.5
Supporting transport activities, travel agencies (I63)	Bremen (DE)	10.1	Darmstadt (DE)	8.6	Hamburg (DE)	6.2
Post and telecommunications (I64)	Köln (DE)	28.2	Mazowieckie (PL)	10.6	Île de France (incl. Paris) (FR)	9.2
Real estate, renting & business activities (K)	Inner London (UK)	46	Berlin (DE)	35.1	Stockholm (SE)	34.6
Real estate activities (K70)	Latvia (LV)	5.6	Berlin (DE)	5.0	Inner London (UK)	5.0
Renting of machinery, and of pers. & househ. goods (K71)	Guadeloupe (FR)	2	Hamburg (DE)	1.7	North Eastern Scotland (UK)	1.6
Computer and related activities (K72)	Stockholm (SE)	8.2	Berkshire, Bucks and Oxfordshire (UK)	7.6	Utrecht (NL)	7.4
Research and development (K73)	Berkshire, Bucks and Oxfordshire (UK)	2.8	Oberbayern (DE)	2.1	Flevoland (NL)	1.8
Other business activities (K74)	Inner London (UK)	35.2	Berlin (DE)	26.0	Île de France (incl. Paris) (FR)	24.8

Source: Eurostat (SBS – Regio)

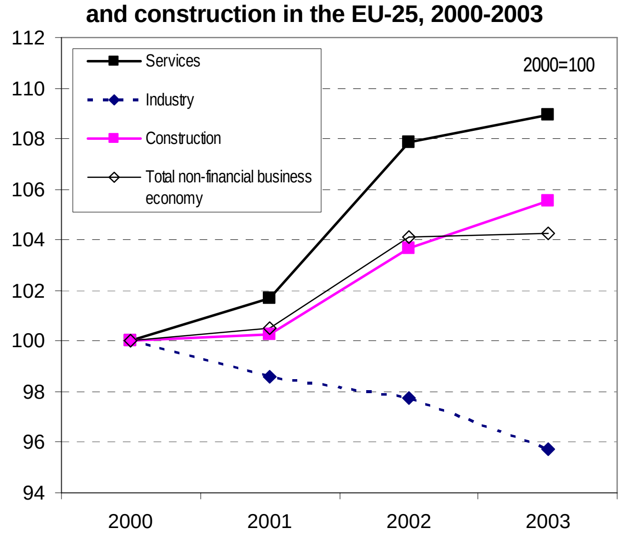
* NOTES: 2001: BE; 2002: LU, MT, PL, SE, UK; Partial use of older data also in some regions in other countries – ':' denotes here confidential data – EL not available.

Table 3 shows the diversity in regional specialisation of services, in terms of employment and by service activity. In addition to being the most specialised country, the United Kingdom also displayed the three most specialised regions, led by Inner London, in which services accounted for as much as 88 % of the region's workforce.

Three of the EU's major capital cities were the most specialised regions in 'other business activities', reflecting the concentration of these kinds of services – accounting, marketing, real estate and so on – in large economic centres, where also many large enterprises have their head offices. With regard to 'hotels and restaurants', the regions of Iles Baleares, Algarve and Bolzano-Bozen clearly have tourism to thank for being the most specialised in these activities!

High employment growth in services

Graph 4: Evolution of employment in services, industry and construction in the EU-25, 2000-2003



Source: Eurostat (SBS – Annual)

The structure of the economy evolves through time as certain sectors become more important and others decline. Based on SBS data, the number of persons employed in services grew by 9 % overall between 2000 and 2003, which is around five percentage points more than the non-financial business economy as a whole (Graph 4). Meanwhile, employment in industry – the other main economic sector – declined by 4 %, and that in construction grew by 5.5 %. Of the 6.3 million jobs added to the non-financial business economy by services and construction, services were responsible for 5.7 million (90 %) of them.

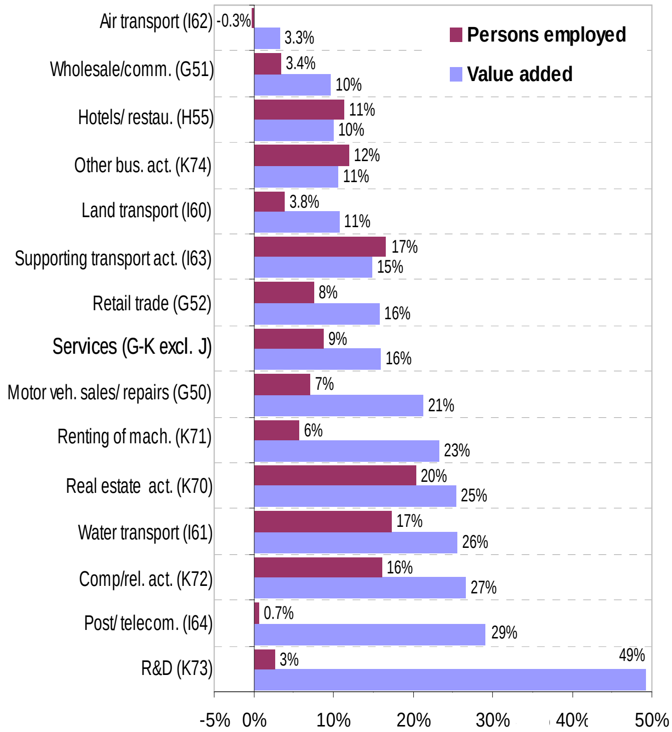
Among the chief reasons for this changing economic structure are the relocation of industrial activities to countries with lower cost bases, and the increased use of outsourcing by enterprises calling on external service providers either for non-core activities (such as transport or marketing services) or for part of the core activities in order to increase flexibility (for example through the use of labour recruitment services). Because of the growing importance of services, the sector is increasingly seen as an engine of economic growth and employment in the EU, a potential that was given political momentum with the Lisbon Strategy adopted in 2000. One of the strategy's central aims is to exploit the potential job creation from removing all barriers to competition within the internal market, and notably in services.

As shown in Graph 5, the 9 % average employment growth in services masks wide differences between different service activities. While employment in 'real estate activities' (K70) grew fastest between 2000 and 2003 (20 %), that in 'air transport' (I62) actually declined by -0.3 %. However, in terms of value added, against a services average growth of 16 %, 'R&D' (K73) grew most, expanding by 49 %, while 'air transport' (I62) grew least (3 %).

The differences in growth in value added and employment indicate changes in labour productivity and profitability. While apparent labour productivity in services grew by 7 % between 2000 and 2003 (data not shown), with employment and value added rising by 9 % and 16 % respectively, productivity growth was fastest in 'R&D' (45 %) and 'post and telecommunications' (I64: 28 %). However, productivity declined by -1 % in three services activities, including 'other business activities' (K74), the largest services activity in value added terms (page 2).

The gross operating rate – which is one indicator of profitability and which is calculated as gross operating surplus relative to turnover – was 11 % in 2003, approximately equal to the non-financial business economy average. The most profitable services activities by far were 'renting of machinery'(K71), 'real estate activities' (K70), and 'post and telecommunications' (I64), which recorded gross operating rates of 41.4 %, 38.1 % and 27.2 % respectively. It was also these same activities that were the most productive, in terms of apparent labour productivity, generating EUR 106 300, EUR 89 200 and EUR 77 600 respectively per person employed.

Graph 5: Evolution of value added and employment in services activities, EU-25, 2000-2003



Source: Eurostat (SBS – Annual)

Higher shares of women, part-time workers and self-employed in services

Table 4: Share of women, part-time workers and self-employed in services, by services activity, EU-25, 2005

	Women employed %	Persons employed part-time %	Self-employed %
Non-financial business economy (C-K excl.J)	35%	15%	16%
Services (G-K excl. J)	44%	21%	19%
Distributive trades (G)	48%	23%	20%
Motor veh. sales/repairs (G50)	18%	9%	20%
Wholesale/comm. trade (G51)	34%	11%	16%
Retail trade (G52)	61%	30%	21%
Hotels and restaurants (H)	55%	28%	19%
Transport and comm. (I)	26%	11%	11%
Land transport (I60)	14%	7%	18%
Water transport (I61)	:	:	:
Air transport (I62)	40%	16%	:
Supporting transport activities (I63)	33%	12%	7%
Post and telecommunications (I64)	39%	16%	4%
Real estate, renting & business activities (K)	44%	21%	23%
Real estate activities (K70)	50%	22%	19%
Renting of machinery (K71)	31%	16%	16%
Computer and related activities (K72)	23%	10%	18%
Research and development (K73)	42%	13%	:
Other business activities (K74)	49%	23%	25%

Source: Eurostat (LFS)

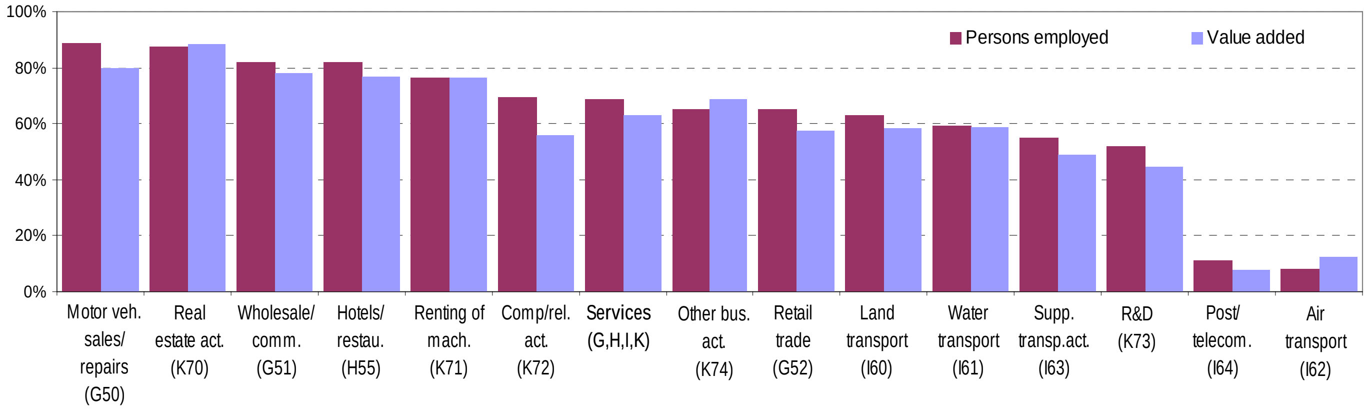
When looking more closely at employment in services, the sector clearly employs a high share of women, part-time workers and self-employed. According to the Labour Force Survey, women accounted for 44 % of services employment in 2005, which was nine percentage points more than the non-financial business economy average (Table 4). This share reached as much as 61 % of the workforce in 'retail trade'.

21 % of persons employed were working part-time, compared with 15 % in the non-financial business economy. This share reached as much as 30% in 'retail trade'. Of those working part-time, 75 % were women, which was only two percentage points more than the average for the non-financial business economy (data not shown).

Finally, the share of self-employed (19%) in the services workforce was also higher than the non-financial business economy average, by three percentage points. This share reached as much as 25 % in 'other business activities' and 21 % in 'retail trade'.

SMEs accounted for over two thirds of employment in services

Graph 6: Importance of SMEs in services, by services activity, based on employment and value added, EU-25, 2003



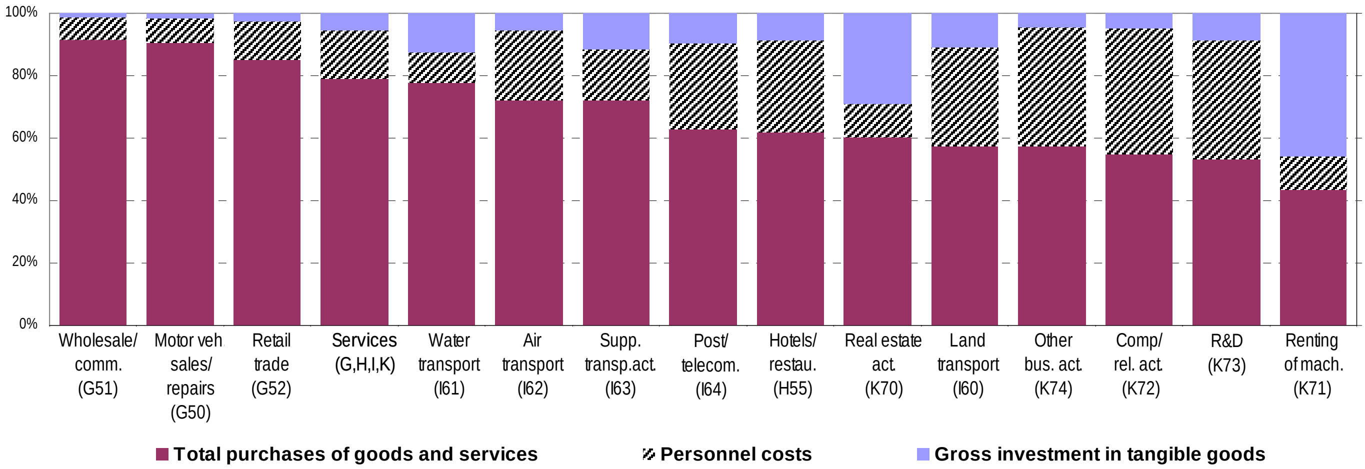
Source: Eurostat (SBS – Annual)

In 2003, 13.1 million enterprises or 99.9 % of the business population in services were small and medium-sized enterprises ('SMEs', employing between 1-249 persons). These enterprises accounted for 68.5 % of employment and 63 % of value added, more than the averages for the non-financial business economy of 67 % and 57 % respectively (Graph 6). In employment terms, SMEs were most important in the 'sale, maintenance/repair of motor vehicles' (89 %), and least important in 'air transport' (8 %) and 'post and telecommunications' (11 %).

Because of their greater importance in employment terms, apparent labour productivity was generally lower in SMEs than in large enterprises in 2003, apart from 'air transport', 'real estate activities' and 'other business activities'.

Cost structure: 80 % purchases, 15 % personnel costs and 5 % investments

Graph 7: Breakdown of total expenditure in services, by services activity, EU*, 2003



*EU average based on available data for 18 EU Member States accounting for 90 % of services value added in 2003.

Source: Eurostat (SBS – Annual)

In 2003, operating expenditure in the EU's services sector accounted for about 95 % of total expenditure and consisted of 79 % of purchases of goods and services and 15 % of personnel costs (Graph 7). This was slightly higher than the non-financial business economy average (93 %), with the largest difference being for personnel costs (+2 %). Capital expenditure – gross investment in tangible goods – represented 5 %, and was similar to the non-financial business economy average.

Between the various services activities, what stands out most is the relative importance of purchases of goods and services and personnel costs. For instance, the lowest shares of purchases of goods and services, and the highest shares of personnel costs were in several services within 'real estate, renting and business activities' (NACE K). These are activities where the expertise of the personnel such as IT and management consultancy specialists, scientists and so on is the core marketable commodity of the business.

By contrast, several distributive trades (NACE G) display the highest shares of purchases of goods and services and lowest shares of personnel costs: activities that are mainly centered on the resale of purchased goods, rather than the expertise of personnel.

➢ ESSENTIAL INFORMATION – METHODOLOGICAL NOTES

DATA SOURCES

The source of all figures presented is Eurostat (unless specifically stated otherwise). Most data sources are continually updated and revised where necessary. This publication reflects the state of data availability in Eurostat's reference database as of September 2006.

Structural Business Statistics (SBS) is the main data source for this publication. Three main SBS data sets have been used: annual enterprise statistics, annual enterprise statistics broken down by size classes and annual regional statistics. These and other SBS data sets are available under theme 'Industry, trade and services' on the Eurostat website http://epp.eurostat.ec.europa.eu/ (select 'Data' / 'Industry, trade and services' / 'Horizontal view' / 'Structural Business Statistics'). Selected publications, data and background information are available in the section dedicated to European Business, located directly under the theme 'Industry, trade and services' on the Eurostat website.

Labour Force Survey (LFS): The EU-LFS is a large household sample survey providing annual and quarterly results on labour participation of people aged 15 and over as well as on persons outside the labour force. The reference year is 2005. For further information, visit: http://forum.europa.eu.int/irc/dsis/employment/info/data/eu_lfs/index.htm

COUNTRIES

This publication covers the 27 Member States (EU-27): Belgium (BE), Bulgaria (BG), the Czech Republic (CZ), Denmark (DK), Germany (DE), Estonia (EE), Ireland (IE), Greece (EL), Spain (ES), France (FR), Italy (IT), Cyprus (CY), Latvia (LV), Lithuania (LT), Luxembourg (LU), Hungary (HU), Malta (MT), the Netherlands (NL), Austria (AT), Poland (PL), Portugal (PT), Romania (RO), Slovenia (SI), Slovakia (SK), Finland (FI), Sweden (SE) and the United Kingdom (UK). Also included are the EFTA and EEA countries with data available: Switzerland (CH) and Norway (NO).

EU AGGREGATES

At the time of data processing for this publication, EU aggregates had been compiled for the EU-25 only and therefore exclude Bulgaria and Romania. EU-25 aggregates include estimates for missing components where necessary; EU-25 aggregates from the SBS data set were supplemented by rounded estimates based on non-confidential data where necessary and appropriate. Some differences may exist between aggregates and sub-components due to the rounding. In some cases when no EU totals are available, averages of available countries are presented.

EXCHANGE RATES

All data are presented in ECU/EUR terms, with national currencies converted using average exchange rates prevailing for the year in question.

SYMBOLS

":" not available or confidential.

SECTORS

Statistics are presented by sectors of activity according to the NACE Rev. 1.1 system of classification. Comparisons are made with the whole non-financial business economy. **Non-financial business economy** includes the Sections C (Mining and quarrying), D (Manufacturing), E (Electricity, gas and water supply), F (Construction), G (Wholesale and retail trade), H (Hotels and restaurants), I (Transport, storage and communication) and K (Real estate, renting and business activities). Note that Cyprus excludes Division K70, and Ireland and Norway exclude Section E.

OBSERVATION UNIT

The observation unit is the enterprise. An enterprise carries out one or more activities at one or more locations. Enterprises are classified into sectors (by NACE) according to their main activity. The enterprise should not be confused with the local unit, which is an enterprise or part thereof situated in one geographically identified place.

STRUCTURAL BUSINESS STATISTICS VARIABLES

Variables are defined according to Commission Regulation No 2700/98 and include:

Number of enterprises

The number of enterprises active during at least part of the reference period.

Number of persons employed

The total number of persons who work in the observation unit, as well as persons who work outside the unit who belong to it and are paid by it. It includes working proprietors, unpaid family workers, part-time workers, seasonal workers etc.

Value added at factor cost

The gross income from operating activities after adjusting for operating subsidies and indirect taxes (including value added tax).

Turnover

The totals invoiced by the observation unit during the reference period, and this corresponds to market sales of goods or services supplied to third parties.

Apparent labour productivity

This is a simple indicator of productivity calculated as value added divided by persons employed.

Average personnel costs

Personnel costs are the total remuneration, in cash or in kind, payable by an employer to an employee for work carried out. This is divided by the number of employees (paid workers), which includes part-time workers, seasonal workers etc, but excludes persons on long-term leave.

Wage adjusted labour productivity (%)

Value added divided by personnel costs, after the latter has been divided by the share of employees (paid workers) in the number of total persons employed. It can also be calculated by dividing apparent labour productivity by average personnel costs.

Gross operating surplus

The gross operating surplus is the surplus generated by operating activities after the labour factor input has been recompensed. It can be calculated from the value-added at factor cost less the personnel costs.

The gross operating rate (%)

This is an indicator of profitability where the gross operating surplus (above) is related to the turnover generated.

Purchases of goods and services

All goods and services purchased for resale or consumption in the production process, excluding capital goods the consumption of which is registered as consumption of fixed capital.

Gross investment in tangible goods

All new and existing tangible capital goods, whether bought from third parties or produced for own use, having a useful life of more than one year including non-produced tangible goods such as land.

Further information:

Data:

EUROSTAT Website/Industry, trade and services/Industry, trade and services - horizontal view/Structural Business Statistics (Industry, Construction, Trade and Services)/Annual enterprise statistics/Annual detailed enterprise statistics on services (Annex 1) - (Nace : H, I, J and K)

EUROSTAT Website/Industry, trade and services/Industry, trade and services - horizontal view/Structural Business Statistics (Industry, Construction, Trade and Services)/Annual enterprise statistics/Annual detailed enterprise statistics on trade (Annex 3) - (Nace : G)

Journalists can contact the media support service:

Bech Building Office A4/125
L - 2920 Luxembourg

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Fax (352) 4301 35349

E-mail: eurostat-mediasupport@ec.europa.eu

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